LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7070 NOTE PREPARED: Jan 4, 2006

BILL NUMBER: SB 301 BILL AMENDED:

SUBJECT: Access to I-Light Network by Hospitals.

FIRST AUTHOR: Sen. Ford BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill provides that if the universities that administer the Indiana Higher Education Telecommunications System (IHETS) determine that the I-Light fiber optic network has excess capacity not needed to meet the communications needs of authorized users, the universities may allow public or private hospitals to access the network after June 30, 2006. It provides that the universities shall provide I-Light access to the hospitals at a cost that does not exceed the universities' costs to operate, maintain, and administer the network.

Effective Date: Upon passage.

Explanation of State Expenditures: The increase in costs should be minor. The bill allows IHETS to charge the hospitals a user fee not to exceed the universities' costs of operating, maintaining, and administering the network.

Background: The I-Light network uses optical fiber for the transfer of large amounts of digital information between the Indiana University campus in Bloomington and the Purdue University campus in West Lafayette. The I-Light 2 network will expand access to the following cities: Columbus, Evansville, Fort Wayne, Gary, Jeffersonville, Kokomo, Marion, Muncie, Richmond, South Bend, Terre Haute, and Vincennes. These cities are the locations where nodes will allow connections, or last-mile connections, from the network to public entities. The legislature has provided \$10 M for the I-Light 2 project, and the project was approved by the Governor in November of 2005. It is projected that the total cost of the project may be \$15 M.

SB 301+ 1

Explanation of State Revenues: See Explanation of State Expenditures.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Higher Education Telecommunications System.

Local Agencies Affected:

<u>Information Sources:</u> Kevin Siminski Indiana Higher Education Telecommunications System, 317-263-08941, I-Light 2 website, http://www.ihets.org/progserv/networking/ilight2/.

Fiscal Analyst: Chuck Mayfield, 317-232-4825.

SB 301+ 2